REMARKS

Reconsideration and allowance of this application are respectfully requested. Claims 2-4, 8-9, and 12-17 are cancelled. Claims 1, 5-7, 10-11, and 18 remain in this application and, as amended herein, are submitted for the Examiner's reconsideration.

In the Office Action, claims 1, 5-7, 10-11 and 18 were rejected under 35 U.S.C. § 102(e) as being anticipated by Kahn (U.S. Patent No. 7,203,314). Applicant submits that the claims are patentably distinguishable over Kahn.

Regarding claim 1, the Examiner contends that Kahn discloses the first authentication process means and relies on column 7, lines 40-67, and the Examiner contends that Kahn discloses the first decryption means and relies on column 8, lines 14-45. However, the relied on sections of the reference describe a conditional access module (CAM), such as a smart card or similar device, that is inserted into an integrated receiver/decoder (IRD) and which is used to verify that a subscriber has access to the media programs. (See Fig. 4, col.8 ll.19-31.) The relied on sections of Kahn do not disclose or suggest that the IRD executes an authentication process with the device that transmits the encrypted signal and the transmits the key information. Namely, the relied on sections of Kahn neither disclose nor suggest an authentication process by which a transmitting electronic device authenticates the IRD.

Therefore, the relied on sections of Kahn do not disclose or suggest:

first authentication process means for executing a first authentication process by which the transmitting electronic device authenticates said electronic transmission system via said first communication means and the signal transmission line, and for receiving first key information and second key information from the transmitting electronic device via said first communication means and the signal

transmission line <u>if the transmitting electronic</u> <u>device determines that said first electronic</u> <u>transmission apparatus is an authorized device</u>, (emphasis added)

as called for in claim 1.

The Examiner also contends that Kahn teaches a first encryption means and relies on column 10, lines 30-50. But the relied on section of Kahn actually describes that a decrypted control word packet (CWP) is modified and re-encrypted. The decrypted CWP includes a first encryption key (CW Key) by which the data packets of the program material data stream is encrypted. (See Fig. 5, col.9 11.20-31.) Namely, the relied on section of the reference teaches the re-encryption of a decryption key and does not disclose or suggest re-encryption of the program material.

Moreover, Kahn describes that <u>the encrypted program</u> <u>material is further encrypted</u>, rather than disclose or suggest the program material being decrypted and then re-encrypted. (See Fig. 5, col.9 11.4143.)

Therefore, the relied on sections of Kahn do not disclose or suggest:

first encryption means for $\frac{re-encrypting}{first}$ the second key information, the second key information being supplied by said first authentication process means, (emphasis added)

as defined in claim 1.

The Examiner further asserts that Kahn discloses a first signal switching means and refers to column 10, lines 50-67 and column 11, lines 1-30. However, the relied on sections are not at all concerned with a selection signal that indicates whether a display priority mode or a legal protect priority mode is set, are not at all concerned with whether a particular mode is set if another electronic transmission device does not have a recording capability, and are not at all

concerned with whether another particular mode is set if the another electronic transmission apparatus has a recording capability.

Further, the relied on sections of Kahn merely describe that further encrypted program material, an encrypted CWP, and an encrypted CP key are stored in a media device and then played back and decrypted. (See Fig. 5, col. 10 11.61-67, and col.11 11.1-14.) The relied on sections of the patent neither disclose nor suggest a selecting function, neither disclose nor suggest selecting for output to a second electronic transmission apparatus, neither disclose or suggest selecting an encrypted signal for output to another apparatus, and neither disclose nor suggest selecting a re-encrypted signal for output to another apparatus.

Therefore, the relied on sections of Kahn do not disclose or suggest:

first signal switching means for receiving a first selection signal provided by said first authentication process means and which indicates whether a display priority mode or a legal protect priority mode is set, the first selection signal indicating that the display priority mode is set if said second electronic transmission apparatus does not have a recording capability, and the first selection signal indicating that the legal protect priority mode is set if said second electronic transmission apparatus has the recording capability,

said first signal switching means selecting the first encrypted signal for output to said second electronic transmission apparatus if the display priority mode is set and selecting the first reencrypted signal for output to said second electronic transmission apparatus if the legal protect priority mode is set, the first encrypted signal being supplied by said first communication means, the first reencrypted signal being supplied to said first signal switching means by said first encryption means, and (Emphasis added.)

as called for in claim 1.

The Examiner also asserts that Kahn teaches a second communication means and relies on column 7, lines 50-67. The relied on section, however, is only concerned with the distribution of pay per view (PPV) services <u>from a distribution system to a subscriber's IRD</u>. (See also Fig. 1.) The relied on section of Kahn is not at all concerned with the distribution of PPV services <u>from a fisrt IRD to a second IRD</u>. Namely, the relied on sections of the reference do not disclose or suggest transmitting <u>from a first electronic transmission apparatus to a second electronic transmission apparatus</u> (See also the above discussion regarding col.10 11.61-67 and col.11 11.1-14.)

The relied on sections of Kahn neither disclose nor suggest:

second communication means, connected to the signal transmission line, for <u>transmitting the selected one of the first encrypted signal and the first re-encrypted signal over the signal transmission line to said second electronic transmission apparatus when a second authentication process determines that said second electronic transmission apparatus is an authorized device; (Emphasis added.)</u>

as defined in claim 1.

Also for the reasons set out above, the relied on sections of Kahn do not disclose or suggest:

second authentication process means for executing the second authentication process with either the transmitting electronic device or said first electronic transmission apparatus, and for receiving third key information and further key information from either the transmitting electronic device or said first electronic transmission apparatus, the further key information being the first key information if the second encrypted signal is the first encrypted signal and being the second key information if the second encrypted signal is the first re-encrypted signal, (Emphasis added.)

and do not disclose or suggest:

second encryption means for <u>re-encrypting the</u> <u>second decrypted signal</u> using the third key

information, the third key information being supplied by said second authentication process means,

second signal switching means for receiving a second selection signal provided by said second authentication process means and which indicates whether the display priority mode or the legal protect priority mode is set, the display priority mode being set if the receiving electronic device does not have a recording capability, the display priority mode being set if the receiving electronic device has the recording capability,

said second signal switching means selecting the second encrypted signal for output to said receiving electronic device if the display priority mode is set and selecting the second re-encrypted signal for output to said receiving electronic device if the legal protect priority mode is set, the second encrypted signal being supplied to said second signal switching means by said third communication means, the second re-encrypted signal being supplied to said second second signal switching means by said second encryption means, and

fourth communication means, connected to the signal transmission line, for transmitting the selected one of the second encrypted signal and the second re-encrypted signal over the signal transmission line to the receiving electronic device when a third authentication process determines that the receiving electronic device is an authorized device, the third authentication process being carried out between the receiving electronic device and either the transmitting electronic device or said second authentication process means. (Emphasis added.)

Claims 5-6 depend from claim 1 and are distinguishable over Kahn for at least the same reasons.

Independent claim 7 includes limitations similar to those set out in claim 1 and, at least for the same reasons, is patentably distinguishable over Kahn.

Claims 10, 11 and 18 depend from claim 7 and are distinguishable over the cited reference for at least the same reasons.

Accordingly, applicant respectfully requests the withdrawal of the rejection under 35 U.S.C. § 102(e).

As it is believed that all of the rejections set forth Official Action have been fully met, favorable in the reconsideration and allowance are earnestly solicited. If, however, for any reason the Examiner does not believe that such action can be taken at this time, it is respectfully requested that the Examiner telephone applicant's attorney at (908) 654-5000 in order to overcome any additional objections which the Examiner might have.

If there are any additional charges in connection with this requested amendment, the Examiner is authorized to charge Deposit Account No. 12-1095 therefor.

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Respectfully submitted,

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